



Northern Community Investment Corporation

Strengthening businesses, communities, and employment opportunities across Northern New Hampshire and Northeastern Vermont

2015 Annual Report



Celebrating
40
YEARS!

Vibrant Communities
Stronger Businesses
More Jobs

www.ncic.org

Celebrating 40 YEARS!

Vibrant Communities
Stronger Businesses
More Jobs

February 10, 2015 marked 40 years since Northern Community Investment Corporation (NCIC) was formed. Through the years, NCIC has worked with local businesses, and community leaders in Northeastern Vermont and Northern New Hampshire to provide financing and business expertise in order to create and retain jobs. Business and community needs have changed through the decades and in support,

NCIC has continued to expand and develop our solutions and services. Today, NCIC is a certified Community Development Finance Institution, a Business Support Services Provider and an Economic Development Entity investing in and supporting communities advance employment development, Affordable Energy, Telecommunications and Tourism.

Honored Speakers

NCIC commemorated 40 years of work to strengthen businesses, communities and employment opportunities in both Vermont and New Hampshire. On February 9, guest speakers included Vermont

and Weidmann Vice President John Goodrich. On February 18, guest speakers included New Hampshire Governor Maggie Hassan; Congressional Office Representatives Chuck



Vermont Governor Peter Shumlin

Governor Peter Shumlin;
Congressman Peter Welch; USDA Rural Development State Director Ted Brady; Small Business Administration State Director Darcy Carter; City of Newport Mayor Paul Monette;



New Hampshire Governor Maggie Hassan

Henderson, Michael Scala and Brian Bresnahan; Polly's Pancake Parlor owners Dennis and Kathie Cote; Tillotson Performance Polymers' Rick Tillotson; Lancaster Town Planner Benjamin Gaetjens-Oleson; and NCIC Founder Michael Mastronardi.

Board of Directors

Front Row: John Schiffman, Sally Pratt, Nathan Houghton, Richard Isabelle, Andrew Peloquin

Back row: Roena Whitehill, Kenneth Hammer, Kenneth Cargill, John McClaughry, Louise Calderwood, Jack Cummings, Gregory Noyes,

Not pictured: Dennis Hiller, Pamela LaFlamme,



Our 40
Years
Started
Here



1976

February 10, 1975 Articles of Agreement issued in Berlin, NH

First Chairman: Raymond S. Burton

1977

Established the Revolving Loan Guaranty Fund

Northeast Kingdom Cooperative Cannery
Barton, VT

Whitman Press Inc.
Lebanon, NH

1978

Burke Mountain Recreation Inc.
Burke, VT

Chuck Roast Equipment Inc.
Conway, NH

McKee Elderly Living Center
Lancaster, NH

1979

Jog-A-Lite
Silver Lake, NH

Newport Elderly Housing Project
Newport, VT

Message from the Chairman and President

On behalf of the entire NCIC family, past and present, we present to you this annual report celebrating 40 years of the Northern Community Investment Corporation. A vision of community leaders from across these six counties coalesced on February 10, 1975 when NCIC was officially established as a Community Development Corporation.

Through the years, NCIC has partnered with local businesses, politicians, and community leaders to improve businesses, communities and the region. NCIC has provided more than \$150 million in financing to more than 2,000 businesses, created 5,700 jobs and retained over 13,600 jobs. To strengthen communities, NCIC has provided more than \$27 million to improve infrastructure and community solutions.



Nathan Houghton
Chairman



Jon Freeman
President



“Thank you Nate” Nathan Houghton, 40 Years of Service



The success and moral direction of NCIC as an organization relies heavily on the guidance of its board of directors. Not only does 2015 mark the 40th anniversary of NCIC, it also marks 40 years of dedicated service by Chairman Nathan Houghton. Nathan was one of the original incorporators of NCIC in 1975, he has served as Interim President of NCIC from 1994-95 and again in 1997. He took on the role of chairman in 1993 and has not looked back.

Nathan is retired from the U.S. Postal Service and is the previous owner and operator of Carmen’s Ice Cream Stand and Snack Bar in Lyndonville, VT. Currently, Nathan spends his time farming and rebuilding tractors. For many years he enjoyed piloting his Ultralight aircraft. He lives in Lyndon, Vermont with his wife Fran, and they enjoy their winters in Florida.

We would all like to extend our deepest thanks to Nathan for his forty years of service to NCIC as a Board Member and Chairman. Simply put, through these decades countless improvements and benefits have been enjoyed all across this region that result from Nathan Houghton’s leadership, commitment and vision.

NCIC Staff

Front Row: Cathy Conway, Jon Freeman, Jane Newland

Second Row: Mollie White, Michelle Farmer, Aimee Quimby, Debbie Dudas, Laurie Johnson, Sandy Lowell, Robin Vinton, Katelyn Robinson, Barb Candar, Mike Welch

Back Row: David Keenan, Karl Stone



NCIC Staff Recognition

Laurie Johnson — 20 years of service
David Keenan — 15 years of service
Aimee Quimby — 10 years of service
Michelle Farmer — 10 years of service
Barb Candar — 5 years of service

1980

Connors Footwear
Lisbon, NH

The Clothesline
Lyndonville, VT

Darling Inn
Lyndonville, VT

1981

Cole's Market
Orleans, VT

Village Sport Shop
Lyndonville, VT

Northern Lights Housing
Berlin, NH

1982

Gracie Roofing
St. Johnsbury, VT

Eastman Brook Hydro
Piermont, NH

Canterbury North and South
St. Johnsbury, VT

1983

Caron Building Center
Berlin, NH

Houghton's Greenhouses
Lyndonville, VT

Northern Lights Music
Littleton, NH

1984

Knitted Fashions
Whitefield, NH

St. Johnsbury Paper Company
St. Johnsbury, VT

Hitchiner Manufacturing
Littleton, NH

NCIC Throughout the Years



Lupine Pet — Conway, NH

NCIC assisted Lupine Pet by providing financing in their early phases of growth. Currently, Lupine products are sold in all 50 states and are exported to more than a dozen countries around the world. Production is still handled in Conway, NH by a staff of over 75 employees.



“NCIC helped us secure a working capital loan that provided much needed cash during a period of rapid growth.”
— David Jensen, Lupine Pet



Canterbury Inn — St Johnsbury, VT

NCIC established the Canterbury Inn to expand the community’s assisted living capacity. Through many years, NCIC assisted the manager to ultimately own and operate the organization. Many have been well cared for at Canterbury Inn and we expect many more will in the future.



Beech River Mill — Center Ossipee, NH

Beech River Mill produces antique reproduction doors, blinds and shutters. NCIC has assisted this historic mill by providing financing and Business Support Services.

“We face a lot of unique challenges and NCIC has put their trust in us and provided us with resources that have helped us grow and become more competitive”.
— Randy Ouellette



1985

- Kenmartin Development Inc.**
Littleton, NH
- Design Contempo**
Lisbon, NH
- Burkewitz Transport**
Coventry, VT

1986

- Maidstone Perennials Inc.**
Maidstone, VT
- JP’s Market**
Island Pond, VT
- Attitash Lift Corporation**
Bartlett, NH

1987

- Bubba’s Seafood, Beverage and Redemption**
St. Johnsbury, VT
- Yankee Concepts, Inc.**
Center Ossipee, NH
- Groveton Senior Apartments**
Northumberland, NH

1988

- Amescor**
Plymouth, NH
- North East Environmental Products**
Lebanon, NH
- Canterbury Inn**
St. Johnsbury, VT

1989

- Sweet Mountain Dulcimers**
Craftsbury Common, VT
- Sports Pillows Inc.**
Plymouth, NH
- Lyndon Housing**
Lyndon, VT



City of Berlin — Berlin, NH

NH Community Loan Fund and NCIC

partnered to help the City of Berlin improve the quality of the city's housing stock through the execution of a USDA Rural Development Rural Community

Development Initiative (RCDI) grant.

"We've been very fortunate to collaborate with such passionate professionals at NCIC. As a result, Berlin has made significant progress in



rehabilitating and removing targeted properties, positioning ourselves away from total reliance on one heavy industry." — Paul Grenier, Mayor Berlin, NH

The Cellars at Jasper Hill — Greensboro, VT

NCIC participated in the start up financing. Today there are 50 employees and growing. NCIC continues to support the growth with solutions-based financing.



Weidmann — St. Johnsbury, VT

Weidmann required a \$40mm equipment investment at their St. Johnsbury facility. NCIC introduced the benefits of New Market Tax Credits to reduce the potential tax impact. In order to further the benefits, a unique partnership with NCIC was formed called the 'Weidmann NCIC Board Company'. The installation is complete and fully operational, current employment has grown to 300.



"Without our now completed and successful project, we would have eventually withdrawn from St. Johnsbury and Vermont. Thanks to the leadership and business acumen of Jon Freeman and NCIC, we are here today and continuing our active role in bettering the economy of our region."
— John Goodrich, Weidmann

1990

White Mountain Day Care Center
Berlin, NH

MacLean Precision Machine Co.
Madison, NH

Woodland Carvers
Canaan, VT

1991

White Mountain School
Littleton, NH

St. Johnsbury Housing Partnership
St. Johnsbury, VT

Ragged Mountain Equipment
Intervale, NH

1992

Comstock Marketing Inc.
Barton, VT

Market in the Pines
Tamworth, NH

Chick Industrial Packaging
Silver Lake, NH

1993

Wickers Sportswear
Wolfeboro, NH

Like-Nu Repair Service
Lowell, VT

Hardwick Housing Partnership
Hardwick, VT

1994

Genfoot America, Inc.
Littleton, NH

**Burnham Boat Slings and
Northeast Kingdom Rowing**
Hanover, NH

Sunset Hill House
Sugar Hill, NH

Café Lafayette – Lincoln, NH

One of only 12 moving dinner trains in North America, operating out of Lincoln, NH. NCIC provided long-time employees, Mike and Ali French financing to purchase the company and train cars.



“We are very thankful for CGSB’s and NCIC’s support,”
— Mike French, Café Lafayette

Vermont Natural Coatings – Hardwick, VT

NCIC’s Business Support Services have assisted with engineering challenges and marketing. NCIC also provided business financing solutions.



Vermont Custom Gage – St. Johnsbury, VT

NCIC and NVDA worked together to attract the business. NCIC and VEDA provided business financing. Owner Monica Greene was named VT’s SBA Business Person of the Year for her leadership that has resulted in employment growth, financial success, company expansion and community involvement.



- | | | | | |
|---|---|--|---|---|
| 1995 | 1996 | 1997 | 1998 | 1999 |
| Aldrich Fabrication
St. Johnsbury, VT

Tender Corporation
Littleton, NH

E.H. Danson Associates
St. Johnsbury, VT | Hoagie’s Pizza
Newport, VT

Poulson Lumber Company, Inc.
Littleton, NH

Delaney’s Hole In The Wall
North Conway, NH | Lupine Pet
North Conway, NH

Lyon’s Dairy Sales
Derby, VT

ReThreads
Wolfeboro, NH | RCP Transit, Inc.
Island Pond, VT

Cartographic Associates, Inc.
Littleton, NH

Green Mountain Custom Finishing
Newport, VT | Tuckerman Brewing Company, LLC
Conway, NH

Nottingham Wood Products
Newport, VT

Horsefeathers, Inc.
North Conway, NH |



Al's Snowmobile – Newport, VT

Al's Snowmobile provides new and used snowmobile parts globally. NCIC participated in financing the recent purchase of the business. NCIC also continues to support the family-owned business through Business Support Services to assist in marketing efforts including their website.



Fuller's Maple – Lancaster, NH

NCIC together with the NH Community Loan Fund used a cost sharing grant program to assist Fuller's with Business Support Services which included business coaching and an updated marketing strategy.

"The money and time NCIC has invested has made us a much stronger company. I have learned that going it alone is not always the best way." — Dave Fuller, Fuller's Maple



Vermont Chevon – Danville, VT

NCIC has worked with Vermont Chevon through Business Support Services to create promotional materials and execute media events.



"NCIC financially partnered with Vermont Chevon, LLC allowing us to build our brand with website, brochure and rack card, and meat labels for our products in the food markets we currently serve."
— Shirley Richardson
Vermont Chevon

2000

A&B Electronics
Berlin, NH

Trout River Brewing
Lyndonville, VT

Nottingham Wood Products
Newport, VT

2001

Derby Village Store
Derby, VT

Jean Elizabeth's Soap & Co.
Concord, VT

Venture Print Unlimited, Inc.
Plymouth, NH

2002

Presby Plastics, Inc.
Whitefield, NH

C&C Supermarket
Barton, VT

Clement's Nursery and Garden Center/Lone Wolf Cap and Canoe
Plymouth, NH

2003

Mountain View Grand
Whitefield, NH

Daydreams Hair and Nail Salon
Lincoln, NH

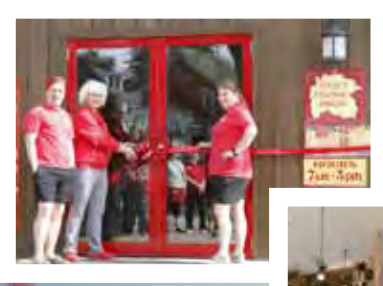
2004

Kheops International, Inc.
Colebrook, NH

The Lyndon Freighthouse
Lyndon, VT

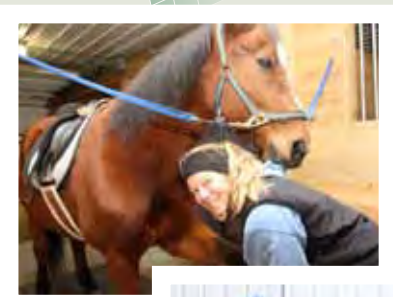
Kingdom Crane, LLC
St. Johnsbury, VT

“NCIC has been so instrumental in helping Polly’s and so many other north country businesses attain their goals!”
 — Kathie and Dennis Cote, Polly’s Pancake House



Polly’s Pancake Parlor – Sugar Hill, NH

NCIC and the NH Community Loan Fund provided Business Support Services which enabled Polly’s to develop a strategic plan for expansion of the business. NCIC also facilitated the development of a financing structure which included participatory financing with Woodsville Guaranty Savings Bank and a Community Development Block Grant loan through Grafton County Economic Development Council.



Reining Hope – Morgan, VT

Reining Hope, located in Northeastern Vermont has been providing equine therapy since 2013. NCIC participated in financing and has provided Business Support Services relating to accounting and labor needs.

“From conceptual stages right through to today, NCIC has provided support. This has helped enable the success of my business as well as, benefiting residents of our region with mental and physical disabilities.”
 — Kristin Mason, Reining Hope



Inn at Sunset Hill – Sugar Hill, NH

NCIC provided financing for the purchase of the property as well as, improvements to ensure the continued success moving forward for one of NH’s iconic Inns.



2005

Chutters
Littleton, NH

Natural Provisions
St. Johnsbury, VT

Mountain Tire Corporation
Berlin, NH

2006

Colebrook Broadband
Colebrook, NH

Berlin Housing Rehabilitation Project
Berlin, NH

2007

Mooselook Restaurant
Concord, VT

Androscoggin Valley Economic Recovery Corporation
Berlin/Gorham, NH

Little Dipper’s Doodle Children’s Center
St. Johnsbury, VT

2008

The Cellars at Jasper Hill
Greensboro, VT

Barton’s Motor Sports
Tamworth, NH

Danville Animal Hospital
Danville, VT

2009

Precision Composites of VT
Lyndonville, VT

Wireless LINC
Regional

NH Grand
Coos County, NH



Village Gun Store – Whitefield, NH

NCIC partnered with North Country Council, Coos Economic Development Corporation, NH's political delegation and the seller to facilitate the purchase of this iconic business by a young Veteran and his family.



Vermont North Country Chamber – Newport, VT

The Vermont North Country Chamber promotes the region surrounding Newport, VT to visitors, businesses and those looking to relocate to the region. The organization recently redesigned their website through the use of NCIC's Business Support Services.



Wendell Rexford & Sons – Whitefield, NH

NCIC provided accounting guidance and training through its Business Support Services allowing staff to more efficiently execute job expenses and customer billing.



“We recently participated in QuickBooks training sessions coordinated by NCIC and I highly recommend other businesses to do so.”
— Aaron Arsenault, Wendell Rexford & Sons

2010

Isaacson Enterprises
Berlin, NH

The Cole Family Businesses
Northeast Kingdom, VT

New England Performance Rally
Dalton, NH

2011

Weidmann Electrical Technology, Inc.
St. Johnsbury, VT

Water Wheel Restaurant
Jefferson, NH

Pete's Greens
Craftsbury, VT

2012

Xtra Innings Performance
Lyndonville, VT

Newport Furniture Parts
Newport, VT

Nature By Design
Orleans, VT

2013

Northern Star
Newport, VT

Secured Network Services
Littleton, NH

Caledonia Spirits
Hardwick, VT

2014

NSA Industries, LLC
St. Johnsbury, VT

Littleton River District Redevelopment Commission
Littleton, NH

Northern Gas Transport
Lyndonville, VT

NCIC's Proactive Stance on Tourism



RES
I find exploring the extraordinary experience that is New Hampshire's... We are home to world class family friendly attractions and one of the northeast's highest peaks, Mt. Washington which you can summit by train, visit beautiful lakes and rivers in New England. Come see all that here.



BEST OF NH GRAND
GREAT GLEN TRAILS
PINKHAM NOTCH, NH
Four season outdoor center surrounded by the stunning peaks of the Presidential Range and Mount Liberty. Washington, Franconia Notch, Cannon Mountain.

New Hampshire Grand

An initiative of NCIC, New Hampshire Grand promotes tourism in Coos County, NH and is celebrating continued growth with the new design of our website. Website traffic to NHGrand.com has grown approximately 35% annually over the past several years driving more visitors to the region's businesses. Look for the new website to be launched in late 2015. Ride the Wilds, located in northern New Hampshire is New England's

largest inter-connected ATV trail network with over 1,000 miles of interconnected trails. Established in 2013, the entire first phase was completed in 2014. This year, 2015 marked the creation of several new corridors that will greatly enhance the experience of ATV enthusiasts who visit the region. An all new website for RideTheWilds.org will be launched later this year as well.



NCIC's Action Plan for Agriculture & Food System Development

Agriculture is inextricably linked to the culture, land, and economy in Northeastern Vermont and Northern New Hampshire. NCIC is working to facilitate growth of the local food economy by identifying efficiencies



within the network; opportunities for new or expanded production; resource sharing among entrepreneurs; and collaboration in service delivery with providers throughout the region. NCIC has used its integrated services to help the agricultural economy of the region thrive, providing the technical support small businesses need to strengthen their business and the capital they need to grow.



Statement of Financial Position On March 31, 2015

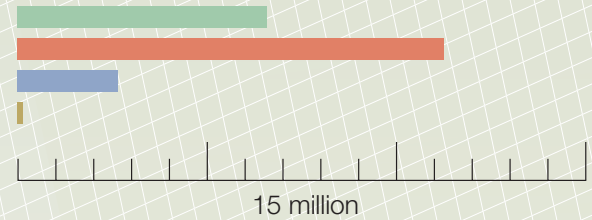
Celebrating
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Assets

Cash and Cash Equivalents	\$ 6,472,716
Receivables and Investments	\$ 11,198,337
Property and Equipment	\$ 2,738,645
Other Assets	\$ 64,301

Total Assets \$ 20,473,999



Liabilities and Net Assets

Current Liabilities	\$ 679,958
Long-Term Liabilities	\$ 8,338,994

Total Liabilities \$ 9,018,952

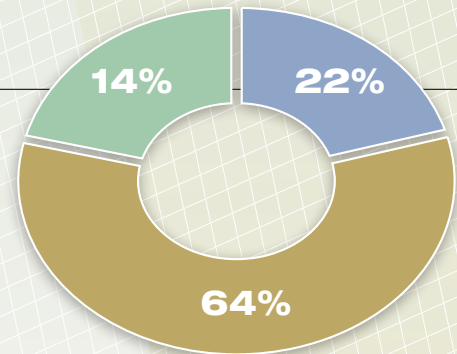
Net Assets \$ 11,455,047

Total Liabilities and Net Assets \$ 20,473,999

REVENUE:

Lending Income	\$ 753,059	22%
Project Income - Economic Dev.	\$ 2,175,968	64%
Other Income	\$ 478,768	14%

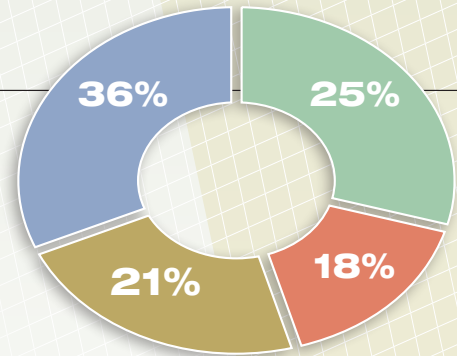
Total Revenue \$ 3,407,795



EXPENSES:

Salaries & Benefits	\$ 1,206,258	36%
Operating Expenses	\$ 599,083	18%
Project Costs - Economic Dev.	\$ 860,204	25%
Non-Cash Expenses	\$ 722,274	21%

Total Expenses \$ 3,387,819



Management has prepared and is responsible for the condensed financial statements and selected financial data presented in this report. Any reader wanting to fully understand the financial condition of NCIC should request a copy of the audited financial statements.

NCIC at a Glance

Business Capital

NCIC develops optimal lending solutions for:

- Commercial Real Estate
- Machinery and Equipment
- Working Capital

Business Expertise

NCIC strengthens businesses with resources and coaching solutions in:

- Accounting and Financial Management
- Marketing
- Manufacturing Process Efficiency
- Business Management
- Additionally, NCIC often has the capacity to cost share when a business hires expertise to advance profitability and employment.

Innovative Solutions for Growth

When an employer has strong growth potential, NCIC is a proven provider of custom solutions that meet the unique needs of an individual business including:

- Tailored Financing
- Real Estate and Facility Solutions
- Resource Identification and Acquisition

Infrastructure

NCIC participates in strengthening business in the region through:

- Expanding Telecommunications
- Promoting Travel and Tourism
- Finding more Affordable Energy Alternatives

Agriculture

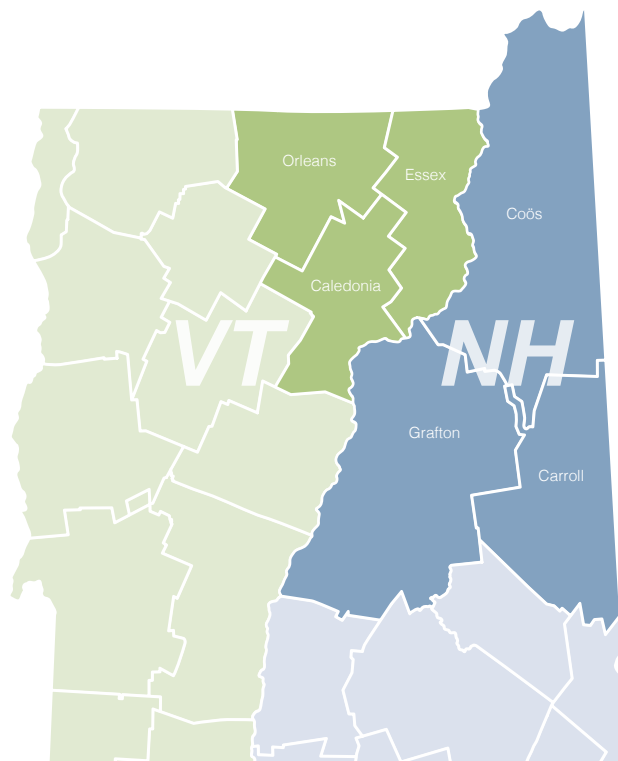
NCIC strives to increase the viability of local farmers and processors by:

- Identifying Market Opportunities
- Coordinating access to Resources

Community Partnership

NCIC supports community leaders with job-based solutions, including:

- Assisting in identifying ideal Funding Mechanisms, Solutions and Partners to solve Problems
- Writing Applications and Managing Grants
- Assisting with Project Management and Implementation
- Developing and sustaining new Solutions and Programs



Northern Community Investment Corporation

NCIC has a diverse group of partners dedicated to creating and sustaining jobs throughout Carroll, Coös and Grafton Counties of New Hampshire and Caledonia, Essex and Orleans Counties of Vermont.

www.ncic.org

We at NCIC wish to thank each business who participated in this report. Graphic design by Douglas Bews of dugzdesign.com.

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